

MOTION BY SUPERVISOR GLORIA MOLINA

April 10, 2012

The Community Development Block Grant (CDBG) Program, enacted in 1974, has long been considered the most successful federally supported local program ever approved by Congress. The CDBG Program gives state, city, and county governments the flexibility to target CDBG funds for locally determined priority needs, primarily to benefit low-income and moderate-income residents, to aid in eliminating slums and blight.

The County of Los Angeles, through the Community Development Commission, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 49 participating cities.

2012 is the 38th anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently provided assistance to low-income and moderate-income residents of Los Angeles County through a variety of economic development, public service, recreation, and housing rehabilitation programs. CDBG funds provide services to youth and seniors, the homeless, persons with HIV/AIDS, and persons with special needs. Strong partnerships among County Departments, participating cities, and Community-Based Organizations have helped ensure the quality and effectiveness of the CDBG Program within the County.

MOTION

Molina _____

Ridley-Thomas _____

Knabe _____

Antonovich _____

Yaroslavsky _____

For example, during the past fiscal year, the CDBG Program provided services to approximately 121,700 persons living with HIV/AIDS; created or improved 2,450 housing units; served 741,000 persons and 3,400 housing units through housing rehabilitation, rental assistance, and code enforcement programs; provided economic development technical assistance to 2,300 businesses; constructed or improved seven public facilities; provided public services to over 1.1 million persons through over 50 non-profit agencies; provided supportive services to 4,500 seniors; and provided services and activities to 3,800 youth.

The Los Angeles Urban County CDBG Program substantially exceeded the Federal requirement to expend 70 percent of its funds for the benefit of low-income and moderate-income persons. In the past fiscal year, the CDBG Program expended \$25.4 million, or 91 percent of its total CDBG expenditures, for the benefit of low-income and moderate-income persons.

However, the CDBG Program is facing unprecedented threats to its existence as a result of pressures to reduce the federal deficit. Proposals have ranged from modest reductions to the program to outright elimination, while ignoring the potential distress on low/moderate-income residents who are already disproportionately affected by the recession, and the negative economic impact that could result from the loss of CDBG dollars to local communities. Between fiscal years 2009 and 2011, the County expended \$81.7 million in CDBG funds, yet it also leveraged an additional \$74 million from other public and private sources during the same period. It is vital that the CDBG Program continue to provide funding for economic development, public services, housing, neighborhood development, and supportive services.

Prior to the 1990 enactment of the HOME Investment Partnerships Program

(HOME), there were few options available to communities to develop affordable housing. Families resided in overcrowded situations and in unsafe housing and working families struggled to save money for down payments for homes. Communities lacked the resources needed to design large-scale affordable housing programs to address these challenges. The HOME program was developed to provide resources to communities to provide decent, safe, and affordable housing opportunities for low-income persons. Program funding has been utilized nationally to complete over one million units of affordable housing.

Los Angeles County has greatly succeeded in utilizing its HOME program funds to finance innovative programs and projects for low-income families, including the construction of affordable housing, the rehabilitation of existing housing, and down payment assistance for eligible first-time homebuyers. Since the program's inception in 1992, the County has overseen the infusion of approximately \$234 million in HOME funds into the County's housing market. The program's added benefit is its ability to leverage local funding. For every HOME dollar, over three local dollars have been leveraged, resulting in an estimated additional \$936 million for affordable housing.

I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:

Proclaim April 8 through 14, 2012 as National Community Development Week in the County of Los Angeles in order to recognize the history and accomplishments of the CDBG and HOME Programs.

NE/sf

**In Recognition Of National Community Development (NCD) Week,
April 8-14, 2012**

WHEREAS, the County of Los Angeles represents one of the most diverse jurisdictions in the nation; and

WHEREAS, the County of Los Angeles, through the Community Development Commission of the County of Los Angeles, administers the largest Urban County Community Development Block Grant (CDBG) Program in the nation; and

WHEREAS, the CDBG Program has operated since 1975 to provide local governments with the resources required to meet the needs of low- and moderate-income persons; eliminate slums and blight; address emergent needs; and has provided CDBG funds to many neighborhood-based, non-profit organizations throughout Los Angeles County to address pressing neighborhood and human service needs; and

WHEREAS, the CDBG Program has had a significant impact on Los Angeles County's local economy through job creation and job retention, physical redevelopment and improvement of the tax base;

WHEREAS, the HOME Investment Partnerships Program has allowed the County of Los Angeles to finance innovative programs and projects for low-income families, including the construction of affordable housing, the rehabilitation of existing housing, and down payment assistance for eligible first-time homebuyers, with great success; and

WHEREAS, the nation annually celebrates the merits of the CDBG and HOME Programs during National Community Development Week, which will be celebrated from April 8 through 14, 2012;

THEREFORE, the Board of Supervisors hereby proclaims April 8 through 14, 2012 as Community Development Week in the County of Los Angeles, and resolves to continue

to support funding for the CDBG and HOME Programs.